

Sunset Review

Title 41, 12a, Part 8, Uninsured Motorist Identification Database Program and Section 31A-22-315

Key legislative History:	Enacted in 1994 with a sunset date of July 1, 1996 Sunset date extended in 1996 to July 1, 1998 Sunset date extended in 1998 to July 1, 2000 Sunset date extended in 2000 to July 1, 2010
Sunset date:	July 1, 2010
Program purpose:	The Uninsured Motorist Identification Database Program was created to assist in reducing the number of insured motor vehicles on the highways, increasing compliance with motor vehicle registration and sales and use tax laws, protecting a financial institution's bona fide security interest in a motor vehicle, and identifying and preventing identity theft and other crimes.
Program Administration:	The Department of Public Safety is required to contract with a third party to establish and maintain an Uninsured Motorist Identification Database. The third party under contract is the department's designated agent. The designated agent develops and maintains a computer database that compares motor vehicle insurance information provided by insurers with motor vehicle registrations provided by the Motor Vehicle Division and driver license information provided by the Driver License Division. The internal audit unit of the Tax Commission is required to audit the program at least every three years.
Insurer Compliance:	Each insurer that issues a policy that includes motor vehicle liability coverage, uninsured motorist coverage, underinsured motorist coverage, or personal injury coverage shall submit a record of each motor vehicle insurance policy in effect for vehicles registered or garaged in Utah before the seventh and twenty-first day of each calendar month to the designated agent. A record of each commercial motor vehicle insurance policy in effect for vehicles registered or garaged in Utah is only required to be submitted before the seventh day of each calendar month.

Program Operation:

If a comparison in the database shows that a motor vehicle is not insured for two consecutive months, the Motor Vehicle Division directs the designated agent to provide notice to the owner of the motor vehicle that the owner has 15 days to provide proof of owner's or operator's security or proof of exemption from the owner's or operator's security requirement. If an owner fails to provide satisfactory proof, the designated agent shall provide a second notice to the owner of the motor vehicle that the owner now has 15 days to provide proof of owner's or operator's security or proof of exemption from the owner's or operator's security requirement. The Motor Vehicle Division shall revoke the registration of a vehicle if the division receives notification from the designated agent that the owner of a motor vehicle has failed to provide satisfactory proof of owner's or operator's security to the designated agent after the second notice or has provided a false or fraudulent statement to the designated agent.

Program Funding:

\$1 registration fee is imposed on all motor vehicle registrations. \$100 registration reinstatement fee for the renewal or reinstatement of a motor vehicle registration after a revocation for certain reasons.

Fees are deposited in the Uninsured Motorist Identification Restricted Account. Funds are used to fund the contract with the designated agent and are provided to the Department of Public Safety and the Motor Vehicle Division to offset program costs. The contracts may not obligate the Department of Public Safety to pay the designated agent more monies than are available in the account.

Revenue Collections:

FY 2008	\$2,834,471
FY 2007	\$2,585,469

Sources: Utah Code Ann. Title 41, Chapter 12a, Part 8, Uninsured Motorist Identification Database Program; Utah Code Ann. § 31A-22-315, 41-1a-1218, 41-1a-1220, 63I-1-231, and 63I-1-241; 1994 Laws of Utah, Ch. 59, § 6; 1996 Laws of Utah, Ch. 2, § 4; 1998 Laws of Utah, Ch. 36, § 3; 2000 Laws of Utah, Ch. 52, § 2; Utah State Tax Commission Annual Report, 2008.